

SENATE BILL 539

By McNally

AN ACT to amend Tennessee Code Annotated, Title 67,
Chapter 4, Part 28, relative to the unauthorized
substances tax.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 67-4-2802(7), is amended by
deleting the subdivision in its entirety and by substituting instead the following:

(7) "Merchant" means a merchant or peddler within the scope of article II, § 28 of the Constitution of Tennessee and includes any person who sells, barter, trades, or distributes to another for consideration any unauthorized substances in any quantity under § 67-4-2803(a). Any person who actually or constructively possesses, at a particular time, any unauthorized substances in a quantity sufficient to create a principal tax liability of at least ten thousand dollars (\$10,000) under § 67-4-2803(a) is presumed to be possessing the unauthorized substances for the purpose of sale, barter, trade, or distribution to another for consideration and is presumed to be a merchant within the meaning of this subdivision (7); such presumption may be rebutted only by clear and convincing evidence that the person did not sell, barter, trade, or distribute for consideration such substances or intend to do so; except, however, that if the person sells, barter, trades, or distributes to another for consideration any unauthorized substances in any quantity under § 67-4-2803(a), the presumption shall not apply and the person shall be considered a merchant.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring
it.